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Docket No. 66911/8484 (former Docket No. 16911/8484)

PATENT

IN THE UNITED STATES PATENT AND TRADEMARK OFFICE

CERTIFICATE OF MAILING

I hereby certify that this correspondence is being deposited in the United States Postal Service as first class mail in an envelope addressed to: Commissioner of Patents and Trademarks, P.O. Box 1450, Alexandria, VA 22313 on 9-19 2003.

Thomas A. Polcyn
Reg. No. 41,256

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SEP 24 2003
GROUP 3600

In re application of: Greene

Serial No.: 09/992,811

Examiner: Cuff, Michael A.

Filed: November 19, 2001

Group Art Unit: 2163

For: METHOD OF SELLING AND
DISTRIBUTING ARTICLES ASSOCIATED
WITH LIVE EVENTS

BOX PETITIONS
Commissioner of Patents and Trademarks
P.O. Box 1450
Alexandria, VA 22313

DECLARATION OF PRIOR INVENTION TO OVERCOME
CITED PATENT UNDER 37 C.F.R. § 1.131

Purpose of Declaration

The purpose of this Declaration is to establish conception of the invention prior to the effective date of Stonedahl, Publication No. US 2002/0199198 A1, which was published December 26, 2002 and cited by the Examiner in the above-referenced patent application, and to

establish the inventor's diligence from prior to said effective date to the filing of the present application. The Stonedahl publication claims priority from Provisional Application No. 60/299,630, filed June 20, 2001, which is believed to be the effective date of the Stonedahl reference for purposes of 35 U.S.C. § 102(e). The person making this Declaration is the sole inventor named in the present application.

Supporting Facts and Documentary Evidence

To establish the date of conception of the invention of the present application, enclosed with this Declaration is a copy of a memorandum prepared by the undersigned inventor establishing that conception of the invention occurred prior to the June 20, 2001 effective date of the Stonedahl reference. In particular, the memo makes specific reference to a concert event featuring the musical artist "Sting," which the undersigned attended, and which took place in 2001 prior to the effective date of the Stonedahl reference. As explained in this memo, conception of the invention occurred the night of that concert event. This information disclosed in this memo supports all of the rejected claims in the present application.

Also enclosed is a document entitled "The Friday Group, LLC Business Plan and Financial Projections", as well as July 20, 2001 and August 2, 2001 letters relating to a patentability search that was conducted for the invention. These documents establish the inventor's diligence from the date of conception to the filing of the present application. The document entitled "The Friday Group, LLC Business Plan and Financial Projections" includes an estimated timetable for various "milestones" leading up to the filing of the present application, and demonstrates that the undersigned inventor exercised diligence from a time prior to the effective date of the Stonedahl reference to the time that the present application was filed. The

July 20, 2001 and August 2, 2001 letters evidence one of these milestones, namely, the patentability search that was conducted for the present invention.

It is respectfully submitted that these documents establish conception of the invention prior to the effective date of the Stonedahl reference and the undersigned inventor's diligence from prior to said effective date to the filing of the present application.

Time of Presentation of this Declaration

This Declaration is submitted prior to final rejection.

Declaration

I hereby declare that all statements made herein of my own knowledge are true and that all statements made on information and belief are believed to be true; and further that these statement were made with the knowledge that willful false statements and the like so made are punishable by fine or imprisonment, or both, under section 1001 of Title 18 of the United States Code, and that such willful false statements may jeopardize the validity of the application, any patent issuing thereon, or any patent to which this verified statement is directed.

Sole Inventor:


Shawn Buchanan-Greene

Address:

350 Jefferson Road
St. Louis, Missouri 63119

Country of Citizenship:

United States of America

Date:

2003-09-05 September 5, 2003
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August 2, 2001

Mr. Thomas A. Polcyn
Howell and Haferkamp, L.C.
Pierre Laclede Center, Suite 1400
7733 Forsyth Boulevard
St. Louis, Missouri 63105-1817

HOWELL & HAFERKAMP, L.C.
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AUG 03 2001

RE: Patentability Search - Method Of Selling And
Distributing Recordings Of Live Events
Your Reference: 16911-8129

Dear Tom:

Enclosed are the patent documents that resulted from the patentability search you requested relating to a method of selling and distributing recordings of live events.

The search was conducted in Class 705 - Data Processing: Financial, Business Practice ... where I searched subclasses 5, 16, 26 and 27; and Class 186 - Merchandising where I searched subclasses 35 and 36.

My search in the above areas revealed the following U.S. Patents:

6,101,485
6,131,086

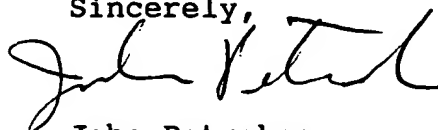
6,240,396

U.S. 6,131,086 discloses a system for selling products to a viewer, including tickets to sporting events or shows as well as videos of the events (see column 3, lines 26-29).

The two U.S. Patents 6,101,485 and 6,240,396 disclose other purchasing systems using the internet.

If you have any questions or require further explanation please call me. The invoice for my fee in this search is enclosed.

Sincerely,



John Petrak

enc: 3 U.S. Patents
Invoice



Current date,

This idea originated on _____ by Shawn Buchanan Greene. The thought came to me as I was sleeping on the night of _____ I had seen Sting in Peoria, Illinois, which triggered this idea. I obtained patent information from the Internet.

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SEP 24 2003
GROUP 96001

Process for the sale and distribution of live, event specific musical, oratory or video products.

Abstract

The method permit the purchase of live recordings, at the time of the event ticket sale, for distribution at a date after the time of the performance. The ticket purchaser is offered an option at the time that they are purchasing a ticket to a live performance, to also buy a recorded copy of the performance. This will in most cases involve the sale of a musical CD, but may also include any other method of media distribution, including video tape, mp3, wav digital files. If the ticket purchaser agrees to the additional add-on cost to their ticket, they will be sent a recorded copy of the specific performance that they attended. In the case of the musical artist, or musical distributor, they will then use the sound board recordings to manufacture a limited issue of the performance. In most cases, the manufacture will be subcontracted to local production companies, but may also be produced by major recording labels, their subsidiaries, or any third party of their choosing.

Claims

1. A method for the distribution of live performances, comprising the steps of:
 - a) Purchasing a copy of the live performance at the time of the ticket purchase.
 - b) The recording of the live performance in an audio or video format.
 - c) The mastering of the live performance.
 - d) The distribution of the live performance to those that purchased it.
2. The system according to claim 1, wherein the listed items are either compact disks containing music recorded thereon or digital music in an encoded format.
3. The system according to claim 1, wherein the listed items are either video containing the performance recorded thereon or digital performance in an encoded format.
4. The system according to claim 2 and claim 3, that is distributed by mail or by digital download from the Internet.
5. The system according to claim 1, that is distributed to people either attending the performance, or not.
6. The system according to claim 1, that utilizes vouchers, mail in coupons or tickets after the close of the performance.

Description

BACKGROUND OF THE INVENTION

The present invention relates generally to the distribution of live performances. More particularly, the present invention relates to a system and method of distributing recordings of live performances to those that attend the performance.

The Internet and other enhancements to amateur freelance digital recording and encoding, has caused an unstoppable release of unauthorized live performances, of musical artists. The means of distribution is mostly done electronically over the Internet. A need therefore exists to compensate artists and other rights holders, for the release of these live performances.

BRIEF SUMMARY OF THE INVENTION

It is an object of the present invention to provide a system for the distribution of live performances.

It is another object of the present invention to collect payment for the distribution of the live performance at the time of the initial ticket sale.

It is yet another object of the present invention to provide a system for the distribution of live performances through the utilization of mail-in coupons or tickets.

It is still another object of the present invention to provide a system for the distribution of live performances through the utilization of digital authorization.

It is still another object of the present invention to provide a system for the distribution of live performances to any person who is or is not in attendance of the live performance.

BRIEF DESCRIPTION OF THE DRAWINGS

DETAILED DESCRIPTION OF THE PREFERRED EMBODIMENTS

As a general overview, the present invention includes a system and method for distributing live performances. Consumers may obtain the performance through two primary methods. The first method is to pay for it at the time of the initial ticket sale. When the consumer agrees to buy the performance, it is then added as part of the ticket sale. Likewise, this may also be done remotely, either through a web site purchase or as a request made over a phone line, or other communication method. In all cases an additional charge is added to the cost of the ticket, which is paid at the same time. In the second primary method, the show may be paid for after the performance of the show, at whatever length of time is found acceptable to the agreement of all rights holders.

The show is then recorded in some video or audio format, in most cases being made for distribution as, but not excluded to, a compact disk (CD). The show recording may then be subcontracted for manufacture by a local production company, or any other party, selected by the rights holders. The intent being to distribute the performance as, but not excluded to, a limited edition release. After the production of the performance is complete, it is then distributed to those consumers that have purchased it.

The system will provide artists and rights holders to additional compensation for live performance. This system does not halt the illegal recording or manufacture and distribution of the live performance, but will create a market for the legitimate manufacture and distribution of live performances. It will also create increased unit sales on a per show basis for live performers.

HOWELL & HAFERKAMP, L.C.

COUNSELLORS AT LAW

PATENTS, TRADEMARKS, COPYRIGHTS, UNFAIR COMPETITION

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July 20, 2001

Sent Via Facsimile (301) 562-9257; Confirmation by Mail

CONFIRMATION

Mr. John Petrakes
9005 LeVelle Drive
Chevy Chase, Maryland 20815

Re: Patentability Search for *METHOD OF SELLING AND DISTRIBUTING
RECORDINGS OF LIVE EVENTS*; Our Ref. 16911-8129

Dear John:

Further to our recent telephone discussion, I need a utility patentability search for the above-referenced business method. The method permits the purchase of live sound recordings, at the point-of-ticket-sale for the event to be recorded, for distribution at a date after the time of the event. The ticket purchaser is offered an option at the time that they are purchasing a ticket to a live performance (whether the point-of-sale is at the box office or on-line) to also buy a recorded copy of the performance they will be attending. If the ticket purchaser agrees to the "add-on" cost to their ticket price, they will be sent a recorded copy of the event they attended at a later time when the recording is produced and ready for distribution.

Presently, it is possible to purchase recordings of live events (e.g., music concerts), but such recordings are generally not produced and available for sale until long after the live event has taken place. There is a benefit to offering recordings of the live event to the ticket purchaser at the time of ticket sale because the purchaser's excitement for the event is at its peak at the time of ticket purchase, and the purchaser is perhaps more likely and more willing to spend the additional money for a sound recording of the event.

Keys to the invention are: (1) the fact that the purchase of the recording takes place at the point-of-ticket-sale for the live event being recorded; and (2) the fact that a record company can secure sales of the recording before the event to be recorded takes place and, based on receipts taken in, can determine how many copies should be produced for distribution. In my opinion, certain aspects of this invention constitute a "business method," so I ask that you include class 705 in your search.

For this search, we authorize \$500.00 for the search and photocopies. If possible, we would like to receive the results of the search by **Monday, August 6, 2001**. Please let me know if you have any questions about the invention or if this time frame presents any problems.

I look forward to receiving your results.

Sincerely,


Thomas A. Polcyn

TAP/klc
Enclosure
(Inventor's Disclosure)

Exhibit "A"

THE FRIDAY GROUP, LLC

Business Plan and Financial Projections

Confidential and Proprietary

Overview:

Revolutionize live event recording distribution.
Revenues will come primarily from the limited production of recordings
of live events that are paid for at the point-of-sale of the event ticket.

Contact Info:

Shawn Buchanan Greene
Shawn.Greene@InterchangeTech.com
314-540-3444 Mobile
314-647-8233 Fax

Executive Summary

What is The Friday Group, LLC?

The Friday Group, LLC (hereinafter "The Friday Group") was created to provide a business process by which artists, speakers, athletes and their rights holders can capture new revenues for their own intellectually held properties. In particular, the success of The Friday Group will depend upon the ability to obtain a patent for the business process (hereinafter "The Patent") by the St. Louis intellectual property firm of Howell & Haferkamp, L.C. (hereinafter "Howell & Haferkamp") and subsequently, the ability to obtain market capture and growth of the utilization of the business process in the music, sports and entertainment industries at-large.

Overview

The Patent seeks to utilize a business process to revolutionize the sale of live event recordings. Although The Patent will be focused on live music events, it is not limited to this genre of event. The Patent also pertains to the sale of any type of live event, including speaking and sporting events, in which a person is given an opportunity to buy a recorded copy of the event that they intend to attend, whether in the form of sound or video recording, at the point-of-sale of the event ticket. When a person purchases an event ticket, whether it is on the Internet, through an intranet, purchased by phone, or purchased at the ticket box office, the customer is offered the opportunity to also buy a live recording of the actual event that they will be attending. The live recording will then be manufactured based on the number of sales made before a specified cut-off date for manufacture.

The Patent also seeks to protect different variations of this scenario, which might include the distribution of coupons before, during or after the event. As opposed to purchasing the live recording at the point of sale of the ticket, a coupon would be handed out at the event that offers to send a live recording of the event if money is mailed before a cut off date. Likewise, this method will solicit the same sales information before the manufacture cut-off date.

Lastly, The Patent will seek to protect instances where sales for the recording of an event may be offered to people who choose not to attend the event, whereby they may purchase only the recording of the event and not the event ticket itself.

Initial Capitalization for The Patent Application Process and Marketing Strategy Assuming The Patent is Successfully Obtained

Accomplishing our goals will require successful completion of two phases. First, The Patent must be obtained. The Friday Group will seek an initial capital contribution from a limited number of investors in order to fund the patent application process. As outlined below, initial research has revealed no obvious obstacles to obtaining The Patent. Specifically, initial research shows that no patent currently exists for this business process. Nonetheless, this does not necessarily mean that there is not a pre-existing patent application for this business process presently pending and there does remain a risk that The Patent will not be successfully obtained. Because of the inherent risks

involved in this first phase, The Friday Group seeks to reward initial capital investors with a significant return on their capital contributions in the event that The Patent is successfully obtained and the second phase of this business plan can be effectively implemented. Please consult the terms of your investment contract for further details.

Assuming The Patent is successfully obtained, the second phase of this business plan represents a shift in strategy entailing focus on market capture and growth. To this end, The Friday Group has defined three target markets: the music and recording industry, promotional and motivational speakers, and sporting and athletic events. The Friday Group will necessarily seek a second round of capital investment in order to fund the employment of sales, marketing and consulting professionals to develop and implement a highly intensive campaign of reaching each market using the most effective message and medium. At this point, The Friday Group intends to lend its initial focus on the music and recording industries and then expand its efforts towards other industries. Accordingly, the background research and information contained in this business plan is more heavily weighted toward the music and recording industries.

The Patent

The business process by which The Patent seeks to sell and distribute live recordings is a completely new concept to the recording industry and is set apart from the approach currently taken to live performances. The Friday Group believes that a combination of a few key elements of this business process will have a great deal of appeal to the music, sports and entertainment industries at-large because it will create an environment that will entice persons attending live events to buy live event recordings and encourage them to instruct their friends to do the same.

Some of these factors include, but are not limited to the following:

- Offering for sale a copy of the actual event that a person will be attending, in effect personalizing the product for each attendee of a live event;
- Collecting money or purchase orders ahead of the manufacture of the purchased item, thus ensuring 100% sales of the product to the industry involved;
- The ability for the industry involved to gauge production, based on advanced payments or purchase orders;
- Creating a limited release of live event recordings, qualifying each product as a collector's item;
- Providing artists, entertainers and athletes and the music, sports and entertainment industries at-large, an opportunity to capture new, guaranteed revenues for their own intellectually held properties, which will simultaneously help stem the tide of unauthorized use and distribution of copyrighted materials.

Frequently Asked Questions

Will I have a Membership Interest in The Friday Group and Will I own part of The Patent?

No. Your Investment will not entitle you to membership, voting or managing rights in the Friday Group. Likewise the rights to The Patent, if awarded, will be solely owned by The Friday Group. Your investment will entitle you to payment from the net profit of the Company, if any. The method and manner by which the Company proposes to pay initial investors a return on their investment is specifically outlined in your investment contract.

Does The Patent have or require any significant proprietary technology?

While the Patent utilizes a business process and the nature of that business process itself is confidential and proprietary, it does not, in and of itself, consist of, nor require proprietary technology in its implementation. The Friday Group will simply seek to rely upon the Patent to exact a royalty for anyone implementing the business process, making it much more appealing to the target industries to implement, rather than other more complicated technologies. Aside from the ability to obtain market capture and growth, the only other technological considerations would be software utilized to sell tickets, the actual production and recording of the events, and distribution after the sale. Fortunately, these issues are ones that the target industries have already confronted and thus, will not be new to them.

What is the timing and launch schedule for The Friday Group?

The Friday Group is on a highly accelerated schedule, in an attempt to get The Patent application completed as soon as possible. The process to write the application may begin, once funding is secured.

- | | |
|--|------------------------|
| • The Patent feasibility search is conducted | July, 2001 - Completed |
| • Howell & Haferkamp begins writing
The Patent application | September 2001 |
| • The Patent application is submitted to the U.S.
Patent and Trademark Office | September 2001 |
| • The Patent status is known | October 2002 |
| • A second round of capital investment is sought
and obtained | October 2002 |
| • Sales, marketing and consulting professionals are
employed to launch a campaign of market capture
and growth | October 2002 |
| • Meetings with members of the music and recording
industry begin | November 2002 |
| • Annual investment payout review begins | November 2003 |

What are the risks involved with obtaining The Patent?

As previously discussed, while Howell & Haferkamp has done an initial investigation into obtaining The Patent, and it has turned out favorable, it does not mean that it may absolutely be awarded. Whether or not the Patent is awarded, will be determined by a judge with the U.S. Patent and Trademark Office. While no existing patent matched that of the one being sought in the initial search conducted by Howell & Haferkamp that does not mean that an application hasn't already been filed that would circumvent the award of The Patent. In that particular instance, it is likely that it exists as a sealed document, which a search would not find. It also, therefore, becomes a pressing matter to submit the application for The Patent as soon as possible.

What is the success rate of obtaining a patent and what is the process?

Assuming that there is no conflicting patent that has been filed, then it should be known that Howell & Haferkamp has a success rate of obtaining patents for 8 out of 10 that are submitted. Within the normal process of seeking a patent, it will take a year before the judge is able to review the application. Once it has been reviewed, a patent will normally be sent back with requested changes or it will be requested that further elaboration be made on specific points. It will therefore be the intent of Howell & Haferkamp to initially design as broad an application as possible to guard against losing any key points needed for the proper execution of The Patent.

Once The Patent is obtained, how long may royalties be collected?

The Patent is enforceable for 20 years from the date that the application is submitted, not awarded.

May royalties be collected while a patent is pending?

Yes and no. As a pending patent, royalties may still be demanded, although the patent has not been awarded. Collecting royalties before The Patent is awarded is a risky proposition because if The Patent is not awarded, or is awarded to someone else, then the monies paid must be returned. As a result, The Friday Group will not seek to collect royalties as to this business process until The Patent has been successfully obtained.

What are the barriers to entry / how does The Friday Group mitigate risk?

The Friday Group believes that it will mitigate risk through:

1. Successful and timely execution of the two phases of this business plan.
2. Magnitude of entry into the market.
3. The ability to sign royalty agreements with major industry players.
4. The ability to quickly implement a network of providers.

Market Facts

In evaluating this opportunity, it was necessary to have evidence that there were a) a large number of event attendees, b) a large number of people that buy recordings, c) a large number of people that purchase products at point of sale and d) mitigating circumstances that would give cause for an industry to modify its distribution model. These numbers from the Recording Industry Association of America show conclusively that there is a substantial market for selling recordings of the actual event that a person will be attending.

How many people attend live events?

- There are 6 billion people in the world.
- There 270 million people in the United States.
- 62 million people attend 26,000 live events annually around the world.

How many people buy recorded products?

- 2000 Domestic US sales of recorded music = \$14.3 billion
- 2000 Global music market = \$38.5 billion
- 2000 89.3% of music sold are full length CD's

How many people buy products at point of sale?

- 2000 42.4% of all music sold is done at the record store
- 2000 3.2% of all music sold is done through the Internet

What circumstances would cause an industry to change its business model?

- The average distribution price of a single CD unit is \$9.95
- The average amount of money made by the record label per single CD unit is \$8
- The average amount of money made by the artist per single CD unit is \$1.95
- Of the 27,000 new releases that hit the market, less than 10% are profitable
- The average retail price of a CD is \$12.75

The Marketing Factor – Bringing The Patent Process To Market

Initial sales, marketing and consulting for The Patent rely on the principal of convincing the music and recording industry of the benefits of adopting this process as a common industry practice. As such, The Friday Group will seek to exact a reasonable royalty price for use of The Patent, to entice the industry to be proponents of its implementation.

Once the music and recording industry begins to employ The Patent as a standard method of doing business, the industry will demand that their artists, promoters, music venues, and ticket brokering partners adopt and use this method of sale and distribution of live event recordings. Understanding that the music and recording industry is highly competitive and volatile, it is the expectation that once the first record label has signed a royalty agreement, then the other labels will follow suit.

Compelling The Music and Recording Industry

The reason that this opportunity exists is that it has been completely overlooked by the music recording industry. Prior to the advent of the Internet in 1997, the recording industry was afforded the luxury of vast control over their medium. Technology had not advanced far enough for the common person to record, edit, manufacture, and most importantly, quantitatively distribute the legally protected property of artists, performers and athletes. After the Internet was introduced in 1997, the ability to share and distribute music, and other forms of media, became increasingly easy and commonplace on the Internet. Worsening the position even more for the music and recording industry was the fact that they were spending massive amounts of time and resources to create new case law to stop the illegal recording and distribution of their property.

Now that equipment exists to make digital-quality recordings and be effectively hidden in a shirt pocket, to later be plugged into a computer for editing, it is fair to assume that most, if not all, live events are being recorded in some fashion. With the Internet providing the means to mass distribute, the recording industry and their artists have no means to reign in or even seek compensation for their intellectual property.

Even shutting down a major file sharing service, such as Napster, will not fix the predicament of the recording industry. Too many systems exist already that utilize peer-to-peer technology, making such types of distribution impossible to stop. Furthermore, music traders and sellers often open ftp file distribution servers, which open and close much too quickly for anyone to react.

Customer Profile

People attend live shows for many obvious reasons. The most important of these is that a person attends a live show because they, in most cases, represent the most fervent supporters of who will be performing. This then causes us to conclude that you have already captured your target audience, at their most frenzied point of anticipation, buying the event ticket. Furthermore, unlike 1982, when the average cost of concert ticket was \$25, people now pay upwards of \$60 to \$120 for a single concert ticket. At the events themselves, elated fans pay \$15 for a coffee mug, \$35 for a concert themed t-shirt and \$25 for a tour specific program. Offering the consumer the ability to buy a live recording of the event that they will be attending, at the point-of-sale of sale of the event ticket, or at the event itself through the use of coupons or vouchers, is catching an extremely focused target audience at the exact point of their purchasing frenzy.

Target Markets

People that attend live events come from a variety of demographic backgrounds. However, the majority of those people that attend venues that seat 10,000 or more have similar characteristics. They are often middle aged, economically mobile professionals, who are spending their discretionary income. They therefore have a relatively smaller concern about spending \$60 to \$120 to attend a show. Likewise, the idea of spending the money to obtain a recording of the show, pales significantly by comparison to the actual event, but maintains a stronger attachment and overall return on investment for the dollar spent. Additionally, these are also the same people that demographically buy CD's,

videotapes and DVD products at the retail store. They spend far less time on the Internet trying to obtain the same items for free, and place a stronger value on possessing an officially released, and in this sense, far more collectable item. If given the opportunity to purchase the show legally through easily accessible channels, or searching for it through the Internet, the target consumer would be apt to go through legal channels. Here is how our target markets expand:

- People who buy music point-of-sale (\$16.3 billion in 2000)
- People who attend live events (62 million in 2000)
- The number of live events held annually (27,000 in 2000)

Strategic Partnerships

One of the keys to dominating this niche market will be in building exclusive royalty contracts and strategic partnerships.

The Friday Group will negotiate some relationships in the recording and music industry first, and then will move onto motivational and professional speakers and then sports entertainment. These relationships will push the idea of The Patent from the top of each respective chain, down to the final end user.

Key Music Industry Partnerships

We will first focus on the top 5 music industry giants, who include:

Vivendi Universal (The worlds largest record producer, owned by Seagrams)

Vivendi Universal is a global media and communications company with businesses in TV and Film, Publishing, Music, Internet and Telecoms, and an Environment unit that provides environmental services. On December 11, 2000 Vivendi, The Seagram Company Ltd., and Canal Plus S.A. (Canal+), completed a merger agreement made on June 20, 2000, to form Vivendi. The merger combined Vivendi's broad-based telecommunications assets, which include high-speed wireless transmission, fixed and wireless communications networks, a portfolio of Internet web sites and cable and satellite transmission networks; the Seagram Company's extensive music catalogue and film and television libraries, as well as its production and distribution capabilities through Universal Music Group, Universal Studios and its stake in USA Networks; and Canal+'s film, broadcast and assets.

BMG Entertainment (Bertelsmann Music Group, owned by Bertelsmann AG)

BMG Entertainment is the global music division of Bertelsmann AG, one of the world's leading media companies. Headquartered in New York City's Times Square, BMG is overseen by Chairman and Chief Executive Officer Rolf Schmidt-Holtz. BMG is home to more than 200 record labels in 54 countries, including Arista Records, BMG Music Canada, BMG Classics, BMG Distribution, BMG Music Publishing, BMG Special Products, RCA Records, RCA Label Group Nashville, and the Windham Hill Group. It also has regional operations in Asia-Pacific, Europe

Region, and the Latin Region. In addition, BMG is a leader in marketing and selling artists' music over the Internet and owns the industry's most highly regarded distribution company, and the fastest growing music publishing company today.

The EMI Group

For over 100 years, EMI has been one of the world's leading music companies, its record labels and music publishing businesses working with and representing many of the top recording artists and songwriters of all time. Today, the EMI Group operates directly in 45 countries, with licensees and distribution agreements in a further 26. EMI releases more than 1,000 albums a year and has a roster of over 1,500 artists from all around the globe.

EMI Recorded Music's labels, which include EMI, Virgin, Capitol, Parlophone, Chrysalis, Priority, Blue Note and EMI Classics, have been responsible for discovering, recording and promoting such well known as The Beatles, The Beach Boys, Garth Brooks, Nat 'King' Cole, Fats Domino, Pink Floyd, Utada Hikaru, Herbert von Karajan, Sir Simon Rattle, Selena, Spice Girls and Robbie Williams. EMI Music Publishing is one of the world's leading music publishers, controlling over a million copyrights spanning the whole musical spectrum. Writers signed to the group include Janet Jackson, Lenny Kravitz, Robbie Williams, Diane Warren, Sting and Puff Daddy.

Sony Music Group (Sony Music Entertainment Group, owned by Sony Corp.)

The Sony Music Group produces, manufactures, distributes and markets recorded music, video, DVD, MD and SACD with a catalog containing more than 500,000 recordings; comprised of three divisions: Sony Music (domestic U.S.); Sony Music International (all countries outside the U.S. and Japan); and Sony Classical. The Sony Music Group Sales for FY ended March 2001 was \$4.9 billion, which includes such labels as Columbia Records Group, Epic Records Group, Harmony Records, Legacy Recordings, Loud Records, Monument and Lucky Dog, Razor Sharp, Sony Music Soundtracks and Sony Wonder (children's/family unit). Additional Sony Music International Labels include: Soho Square, Mambo, Rubenstein, Dragnet, and Squatt, among others.

Warner Music Group (Subsidiary of AOL Time Warner)

AOL Time Warner's worldwide recorded music and music publishing businesses are conducted under the umbrella name, Warner Music Group (WMG). In fall 2000, the Company announced that it had terminated its previously announced agreement to combine WMG's global music operations with that of Britain's EMI Group plc.

In the United States, the Company's recorded music business is principally conducted through WMG's Warner Bros. Records Inc., Atlantic Recording Corporation, Elektra Entertainment Group Inc. and London-Sire Records Inc. and their affiliated labels, as well as through the WEA Inc. companies. WMG's recorded music activities are also conducted in over 70 countries outside the United States through various subsidiaries, affiliates and non-affiliated licensees. The WEA Inc.

companies include WEA Manufacturing Inc., which manufactures compact discs (CDs), audio and videocassettes, CD-ROMs and DVDs for WMG's record labels, Warner Home Video and outside companies; Ivy Hill Corporation, which produces printed material and packaging for WMG's recorded music products as well as for a wide variety of other consumer products; and Warner-Elektra-Atlantic Corporation (WEA Corp.), which markets distributes WMG's recorded music products to retailers and wholesale distributors. WMG also owns a majority interest in Alternative Distribution Alliance (ADA), an independent distribution company specializing in alternative, metal, hip hop and dance music with a focus on new artists.

WMG's music publishing companies, Warner/Chappell, own or control the rights to more than one million musical compositions, including numerous pop music hits, American standards, folk songs and motion picture and theatrical. The catalogue includes works from a diverse range of artists and composers including Madonna, Eric Clapton, Jewel, George and Ira Gershwin, Radiohead and Cole Porter. Warner/Chappell also administers the music of several television and motion picture companies, including Lucasfilm, Ltd. and Hallmark Entertainment. Warner/Chappell also owns Warner Bros. Publications, a major publisher of printed music, which includes CPP/Belwin, acquired in 1995. Warner Bros. Publications markets publications throughout the world containing the works of such artists as Shania Twain, The Grateful Dead and Led Zeppelin and containing works from the Chrysalis, Zomba and Universal music publishing catalogs.

Other Potential Strategic Partners Include:

- Peter Lowe Success Seminars
- Anthony Robbins & Associates
- Tom Hopkins International
- Ziglar Training Systems
- Major League Baseball
- National Basketball Association
- National Hockey League
- National Football League

General Market Partnerships:

The Friday Group believes that because we are presenting our Strategic Partners with the opportunity to collect unrealized revenue, then they will work quickly and independently to implement the business process embodied under The Patent. Should this not be the case, then The Friday Group will seek to secure whatever relationships are necessary with the local event venues, promoters, artists and sound production companies.

The Friday Group will do extensive research to formulate a plan, in just such a case, so that the best possible outcome may be garnered.

Competitive Overview

Because The Friday Group is seeking to implement a revolutionary distribution system, there are no current competitors. However, it may be the case that any one Strategic Partner that is approached may potentially be viewed as a competitor, in the situation that they may seek to implement process that circumvents the process defined by The Patent.

Should a Strategic Partner pose itself as a competitor, it then may ultimately be an issue that is decided in a court of law.

Summary Of Projections

THE FOLLOWING SETS FORTH THE FRIDAY GROUP'S PROJECTED OPERATING RESULTS FOR THE YEARS 2003, THROUGH 2007. ASSUMPTIONS UPON WHICH THE DATA ARE BASED ARE DETAILED ON THE FOLLOWING PAGES. THE ESTIMATES AND PROJECTIONS ARE BASED ON CERTAIN STATEMENTS, ESTIMATES AND ASSUMPTIONS CONCERNING EXPECTED RESULTS WHICH MAY OR MAY NOT PROVE TO BE CORRECT AND ARE DIRECTLY DEPENDENT ON MARKET CONDITIONS WHICH ARE BEYOND THE CONTROL OF THE FRIDAY GROUP. ACCORDINGLY, ACTUAL RESULTS MAY VARY, PERHAPS MATERIALLY, FROM SUCH ESTIMATES AND PROJECTIONS. THE PROJECTIONS WERE NOT PREPARED WITH A VIEW TOWARD COMPLIANCE WITH PUBLISHED GUIDELINES OF THE AMERICAN INSTITUTE OF CERTIFIED PUBLIC ACCOUNTANTS OR GENERALLY ACCEPTED ACCOUNTING PRINCIPLES. PROSPECTIVE INVESTORS ARE CAUTIONED NOT TO RELY ON THE PROJECTIONS IN MAKING A DECISION ON WHETHER OR NOT TO PURCHASE INVESTMENT SHARES IN THE FRIDAY GROUP. THE FRIDAY GROUP MAKES NO REPRESENTATION OR WARRANTY AS TO THE ATTAINABILITY OF THE FOLLOWING PROJECTIONS OR THE ACCURACY OR COMPLETENESS OF THE ASSUMPTIONS FROM WHICH THEY ARE DERIVED.

Projected Income Statement	2003	2004	2005	2006	2007	2008
Total Number of Event Attendees	67,580,000	69,440,000	71,300,000	73,160,000	75,020,000	76,880,000
% of Events Where Patent is Employed	0%	5%	10%	15%	18%	20%
% of Attendees Who Purchase Product	10%	10%	10%	10%	10%	10%
Royalty on 2CD Unit	\$2	\$2	\$2	\$2	\$2	\$2
Gross Sales	0%	\$694,400	\$1,426,000	\$2,194,800	\$2,700,720	\$3,075,200
Cost of Sales	0%	\$34,720	\$71,300	\$109,740	\$135,036	\$153,760
Net Profit	0%	\$659,680	\$1,354,700	\$2,085,060	\$2,565,684	\$2,921,440
Profit Per Investment Share	0%	\$6,596	\$13,547	\$20,850	\$25,656	\$29,214

Notes To Projections

General

The financial projections are based on the assumption that The Patent is approved and awarded by the U.S. Patent and Trademark Office and that presentations to the recording industry will begin in 2003. It is projected that implementation may take up to a year, so that The Friday Group will not begin to see revenues until 2004.

Net Sales

The royalty rate is assumed to be \$1 for every single CD unit and assumes that the product being sold is a 2CD unit. Sales projections are based on acquiring up to a 30% overall market penetration.

Cost of Sales

Includes, but is not necessarily limited to: payroll for sales, marketing and consulting executives, business expenses and administrative costs, payments on indebtedness taken on by the Company, and Federal and State income taxes.

Assumptions In Financial Projections

- This plan uses the most current suggested retail and wholesale rates published by label companies.
- This plan assumes that market penetration will not exceed 30% of all venues and will be implemented in only venues that seat 10,000 or more.
- Although The Friday Group may collect royalties in 2002 and 2003, this plan assumes no sales, due to its Patent Pending status and the amount of time needed to implement The Patent.